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FISCAL IMPACT STATEMENT

LS 7260

BILL NUMBER: SB 337

NOTE PREPARED: Feb 20, 2009

BILL AMENDED: Feb 19, 2009

SUBJECT: Registering Interior Designers.

FIRST AUTHOR: Sen. Kruse

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) *Registration of Interior Designers*- The bill requires the Professional Licensing Agency (PLA) to create an electronic registry for interior designers. The bill establishes registration criteria for interior designers. The bill provides that the PLA is not liable for misrepresentations, fraud, or omissions caused by an individual who is registered on the registry.

Professional Licensing Study Committee- The bill establishes the Professional Licensing Study Committee (PLSC).

Effective Date: (Amended) Upon Passage; July 1, 2009.

Explanation of State Expenditures: (Revised) *Registration of Interior Designers*- **Electronic Registry:** The PLA would be able to modify their existing software and web interface at no additional cost in order to accommodate an electronic registry. The PLA would have to prepare a recommendation report to the Legislative Council with respect to the registry. The PLA would be able to produce the report within existing resources.

Registration: Electronic payment and registration would reduce the costs to PLA to process registrations. Additionally, the bill would not require the PLA to be responsible for performing review of the contents of an applicant's registration information. This provision would also reduce costs for the PLA to register interior designers.

(Revised) *Professional Licensing Study Committee*- The PLSC would operate under the Legislative Council's policies governing study committees. The impact to state expenditures would depend on the

number of members on the PLSC. During the prior interim, the Legislative Council permitted operating budgets of \$9,500 for committees less than 16 members and \$16,500 for committees with 16 or more members.

Explanation of State Revenues: (Revised) *Registration Fees*- Initial registration, biennial renewal, and restoration fees are individually \$100. Fee revenue would be deposited in the state General Fund.

The Bureau of Labor Statistics estimated there were about 950 interior designers in Indiana as of May 2007. However, it is unknown how many would qualify for registration under the requirements of the bill. Given the registration requirements and the provision that a person could practice as an interior designer without use of title/designation, it is likely that less than 950 persons would actually register. Additionally, the number of potential applicants that have passed the NCIDQ examination in Indiana is unknown.

Penalty Provision: A person who: uses the title of “registered interior designer,” any title designation sign, card, device indicating they are a registered interior designer without registering, intentionally gives false information; impersonates another certified designer; or uses an expired, suspended, or revoked registration commits a Class B misdemeanor.

If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class B misdemeanor is \$1,000. However, any additional revenue would likely be small.

Explanation of Local Expenditures: *Penalty Provision:* A Class B misdemeanor is punishable by up to 180 days in jail.

Explanation of Local Revenues: *Penalty Provision:* If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from court fees. However, any change in revenue would likely be small.

State Agencies Affected: SOS.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: Bureau of Labor Statistics OES 2007 statistics; U.S. Postal Service; State Budget Agency: *General and Rainy Day Fund Summaries, June 30, 2008.*

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